

No. 10/3/4375

Date: 15/3/2020

Circular to banks operating in the Kingdom

After Greetings,

In light of the economic effects of the world wide spread of the Corona Virus (COVID 19) on many economic sectors in the Kingdom, and the impact of this on the cash flows of a number of operating companies funded by the banking institutions and the possibility that some retail customers be exposed to the indirect effects of the spread of the virus; the following has been decided:

First: Pursuant to our Circular No. (10/1/11084) dated 27-8-2018, and to enable banks to continue providing their services to their clients in the affected economic sectors in a manner consistent with sound and proper banking rules and in a way that enables, at the same time, bank customers to fulfill their obligations and continue their economic activity; banks can, according to their cash flow study for their customers, do the following:

1. Postpone the installments due on the affected companies without considering this as a re- structure, and also without affecting the credit rating of companies with CRIF, provided that the banks shall not charge commission or impose delay interest on these companies.
2. Perform a scheduling or rescheduling of the clients' debts without any additional cash or commission, while maintaining the provisions made against these debts and their pending interests until the clients to whom these debts go back pay no less than three monthly installments or two quarterly installments or one bi- annual installment from scheduling and not less than the value of the outstanding interest.
3. These arrangements shall end by the end of 2020.

Second: In light of the possibility of temporary declining cash flows for retail and personal loans clients due to sickness, quarantine, unpaid compulsory leave or other reasons related to the effects of the Corona virus; banks can, at their discretion and at the request of clients:

1. Postpone the installments of these customers without any commission or delay interest, including credit card payments, and without affecting their credit rating with CRIF.

2. Confirm what was included in our circular no. (10/1/16722) dated 16/12/2018 regarding cases in which retail customers face difficulties in committing to payment due to lower income for reasons beyond their control, in the sense that the bank can restructure the credit facilities granted to them by exceeding the period specified in item (9/b) of the Instructions on Dealing with Customers Fairly and Transparently No. (56/2012) dated 31/10/2012 and amended according to the Instructions no. (57) of 2013 dated 20/5/2013, so that it does not exceed ten years (Instead of eight years) from the date of granting, scheduling, or restructuring if that would make it easier for customers to face their financial burdens, provided that it does not result in exceeding the debt burden ratios specified in the bank's approved credit policy.
3. Duration of previous procedures shall be until the end of 2020.

Third: To ensure that banks will continue to provide their services to various economic sectors easily, we affirm the following:

1. The requirements of our Circular No. (10/4/3862) dated (4/3/2020) regarding the review and examination of business continuity plans
2. Doubling efforts to encourage banks' customers to use the electronic channels further
3. Developing plans to enhance the ability of customer services at banks to respond to a scenario that includes a significant increase in customer inquiries.

Fourth: The Central Bank will continue to follow up all developments and take the appropriate measures in order to reduce the impact of the consequences of the Corona virus on the Jordanian economy, the banking sector, and its customers.

Respectfully,,

**Governor
Dr. Ziad Fariz**